



Committee on Transportation and Infrastructure
U.S. House of Representatives

Washington, DC 20515

Bill Shuster
Chairman

Peter A. DeFazio
Ranking Member

COMMITTEE RESOLUTION

Mathew M. Sturges, Staff Director

Katherine W. Dedrick, Democratic Staff Director

LEASE
NATIONAL INSTITUTES OF HEALTH
MONTGOMERY AND PRINCE GEORGE'S COUNTIES, MD
PMD-01-WA17

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that pursuant to 40 U.S.C. §3307, appropriations are authorized for a lease of up to 238,000 rentable square feet of space, including 5 official parking spaces, for the Department of Health and Human Services, National Institutes of Health currently located at 6001 and 6101 Executive Boulevard in Rockville, Maryland at a proposed total annual cost of \$8,330,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided that, the Administrator of General Services and tenant agencies agree to apply an overall utilization rate of 183 square feet or less per person, except that, if the Administrator determines that the overall utilization rate cannot be achieved, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided that, except for interim leases as described above, the Administrator may not enter into any leases that are below prospectus level for the purposes of meeting any of the requirements, or portions thereof, included in the prospectus that would result in an overall utilization rate of 183 square feet or higher per person.

Provided that, to the maximum extent practicable, the Administrator shall include in the lease contract(s) a purchase option.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: **December 7, 2016**

A handwritten signature in black ink, appearing to read "Bill Shuster", with a long, sweeping horizontal stroke extending to the right.

Bill Shuster, M.C.
Chairman

JAMES M. INHOFE, OKLAHOMA
SHELLEY MOORE CAPITO, WEST VIRGINIA
JOHN BOOZMAN, ARKANSAS
ROGER WICKER, MISSISSIPPI
DEB FISCHER, NEBRASKA
JERRY MORAN, KANSAS
MIKE BOUNDS, SOUTH DAKOTA
JONI ERNST, IOWA
DAN SULLIVAN, ALASKA
RICHARD SHELBY, ALABAMA

THOMAS R. CARPER, DELAWARE
BENJAMIN L. CARDIN, MARYLAND
BERNARD SANDERS, VERMONT
SHELDON WHITEHOUSE, RHODE ISLAND
JEFF MERKLEY, OREGON
KIRSTEN GILLIBRAND, NEW YORK
CORY A. BOOKER, NEW JERSEY
EDWARD J. MARKEY, MASSACHUSETTS
TAMMY DUCKWORTH, ILLINOIS
KAMALA HARRIS, CALIFORNIA

United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

WASHINGTON, DC 20510-6175

RICHARD M. RUSSELL, MAJORITY STAFF DIRECTOR
GABRIELLE BATKIN, MINORITY STAFF DIRECTOR

115th Congress
1st Session

United States Senate COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

COMMITTEE RESOLUTION

LEASE NATIONAL INSTITUTES OF HEALTH MONTGOMERY AND PRINCE GEORGE'S COUNTIES, MD PMD-01-WA17

RESOLVED BY THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS OF THE UNITED STATES SENATE

that pursuant to title 40 U.S.C. § 3307, a prospectus providing for a lease of approximately 238,000 rentable square feet of space, including approximately 5 official parking spaces, for the Department of Health and Human Services, National Institutes of Health, currently located at 6001 and 6101 Executive Boulevard in Rockville, Maryland at a maximum proposed rental rate of \$35 per rentable square foot, at a proposed total annual cost of \$8,330,000 for a lease term of up to 15 years, a description of which is attached hereto and by reference made part of this resolution, is approved.

Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to execution of the new lease.

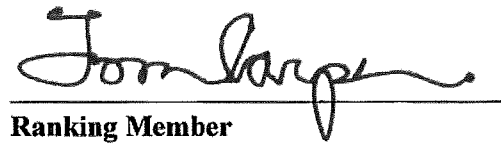
Provided, that to the maximum extent practicable, the Administrator of General Services shall require that the procurement include energy efficiency requirements as would be required for the construction of a federal building.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, *except that*, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Environment and Public Works of the United States Senate prior to exercising any lease authority provided in this resolution.

Provided further, that the Administrator shall provide to the Chairman or Ranking Member of the Committee on Environment and Public Works of the Senate, in a timely manner, requested documents and information regarding this prospectus and resulting contractual materials, without redaction other than redactions to exclude business confidential, proprietary, and/or procurement sensitive information.

Provided further, that the Administrator shall not delegate to any other agency the authority granted by this resolution.


Chairman


Ranking Member

Adopted: November 29, 2017

**PROSPECTUS – LEASE
NATIONAL INSTITUTES OF HEALTH
MONTGOMERY AND PRINCE GEORGE’S COUNTIES, MD**

Prospectus Number: PMD-01-WA17
Congressional District: 8

Executive Summary

The General Services Administration (GSA) proposes a lease of approximately 238,000 rentable square feet (RSF) of space for the Department of Health and Human Services - National Institutes of Health (NIH), currently located at 6001 and 6101 Executive Boulevard in Rockville, MD, under five NIH direct leases. The four leases at 6001 Executive Boulevard expire on January 31, 2019, and the one lease at 6101 Executive Boulevard expires on August 31, 2019.

The proposed lease will enable NIH to provide continued housing. The lease will significantly improve space utilization, as the office utilization rate will be reduced from 172 to 133 usable square feet (USF) per person, and the overall utilization rate from 221 to 183 USF per person, resulting in NIH being housed in approximately 31,632 RSF less space than it has at the current locations.

Description

Occupant:	National Institutes of Health
Current Rentable Square Feet (RSF):	269,632 (Current RSF/USF = 1.22)
Estimated Maximum RSF:	238,000 (Proposed RSF/USF = 1.20)
Expansion/Reduction RSF:	31,632 (Reduction)
Current Usable Square Feet/Person:	221
Estimated Usable Square Feet/Person:	183
Proposed Maximum Lease Term:	15 Years
Expiration Dates of Current Leases:	1/31/2019, 8/31/2019
Delineated Area:	Portions of Montgomery and Prince George’s Counties proximate to the NIH campus in Bethesda, MD
Number of Official Parking Spaces:	5
Scoring:	Operating lease
Estimated Proposed Rental Rate ¹ :	\$35.00 / RSF
Estimated Total Annual Cost ² :	\$8,330,000

¹ This estimate is for fiscal year 2018 and may be escalated by 1.95 percent annually to the effective date of the lease to account for inflation. The proposed rental rate is fully serviced including all operating expenses whether paid by the lessor or directly by the Government. GSA will conduct the procurement using prevailing market rental rates as a benchmark for the evaluation of competitive offers and as a basis for negotiating with offerors to ensure that lease award is made in the best interest of the Government.

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NATIONAL INSTITUTES OF HEALTH
MONTGOMERY AND PRINCE GEORGE’S COUNTIES, MD**

Prospectus Number: PMD-01-WA17
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Current Total Annual Cost:	\$8,314,990
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Justification

The multiple NIH Institutes and Centers (ICs) located at 6001 and 6101 Executive Boulevard include the National Institute of Drug Abuse, National Institute of Mental Health, National Institute of Neurological Disorders and Stroke, National Institute on Deafness and other Communication Disorders, Office of Director-Office of Strategic Coordination, and the Office of Research Services, and are integral components of NIH’s mission. The current leases expire on January 31, 2019, and August 31, 2019. NIH ICs have a continuing need for space and efficient transportation access to the NIH campus in Montgomery County. The lease will streamline operations and improve NIH’s footprint by 31,632 rsf. In the absence of this reduction, the status quo cost of continued occupancy at the existing footprint would be \$9,437,120.

Acquisition Strategy

In order to maximize the flexibility in acquiring space to house the NIH elements, GSA may issue a single, multiple award solicitation in up to two proximate buildings that will allow offerors to provide blocks of space able to meet requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus.

²New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

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Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Request for Lease Proposals and other documents related to the procurement of space based on the approved prospectus. GSA encourages offerors to exceed minimum requirements set forth in the procurement and to achieve an Energy Star performance rating of 75 or higher.

Resolutions of Approval

Resolutions adopted by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works approving this prospectus will constitute approval to make appropriations to lease space in a facility that will yield the required rentable area.

Interim Leasing

GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

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NATIONAL INSTITUTES OF HEALTH
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Prospectus Number: PMD-01-WA17
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Certification of Need

The proposed lease is the best solution to meet a validated Government need.

Submitted at Washington, DC, on August 19, 2016

Recommended: _____



Commissioner, Public Buildings Service

Approved: _____



Administrator, General Services Administration

October 2015

Housing Plan
National Institutes of Health

PMD-01-WA17
Montgomery County, MD

Leased Locations	CURRENT				ESTIMATED/PROPOSED			
	Personnel		Usable Square Feet (USF) ¹		Personnel		Usable Square Feet (USF)	
	Office	Total	Office	Total	Office	Total	Office	Total
6001 Executive Boulevard	905	905	203,000	-		203,000		-
6101 Executive Boulevard	93	93	16,843	1,205		18,048		
Estimated/Proposed Lease					1,084	1,084	14,000	198,280
Total	998	998	219,843	1,205	1,084	1,084	14,000	198,280

Office Utilization Rate (UR) ²		
Current	172	Proposed
Rate	172	133

UR=average amount of office space per person
Current UR excludes 48,365 usf of office support space
Proposed UR excludes 40,542 usf of office support space

Overall UR ³		
Current	221	Proposed
Rate	221	183

R/U Factor ⁴			
Total USF	RSF/USF	Max RSF	
Current	221,048	1.22	269,632
Estimated/Proposed	198,280	1.20	238,000

NOTES:

¹USF means the portion of the building available for use by a tenant's personnel and furnishings and space available jointly to the occupants of the building.

²Calculation excludes Judiciary, Congress and agencies with less than 10 people

³USF/Person = housing plan total USF divided by total personnel.

⁴R/U Factor = Max RSF divided by total USF

Special Space		USF
Data Center and Support Center		4,000
Conference Center		10,000
Total		14,000